National Aeronautics and Space Administration
Ames Research Center
Moffett Field, CA 94035-1000
Source Selection Decisions
For
Modular Space Vehicles (MSV)
NNA09308164R-PBH
September 28, 2010

On September 8, 2010, I, along with certain NASA Source Evaluation Board (SEB) ex-officio members, met with the MSV SEB, the Board appointed to evaluate the proposals for the procurement of MSV for NASA Ames Research Center (ARC). During this meeting, the Chairperson of the SEB presented the findings from its Evaluation Report, which we discussed to assure that I had a full understanding of its evaluation.

I assessed the SEB's findings and evaluation of proposals. This Source Selection Statement reflects my independent judgment, consistent with the source selection criteria prescribed by the Request for Proposal (RFP), and sets forth my selection decisions. There are three distinct selection decisions set forth in this document which were contemplated in the RFP. The first selection decision selects those Offerors that will receive one of the multiple IDIQ contract awards, inclusive of the Innovation, Standards, and Architecture Task Order. The second selection decision selects the single Offeror to receive the Multi Mission Modular Bus Task Order. The third selection decision selects the single Offeror to receive the Multi Mission Modular Payload Task Order.

Procurement Description

This procurement is for a new NASA requirement in collaboration with, and support of, the Operationally Responsive Space (ORS) Office within the Department of Defense. The procurement will contribute to the development of low cost, rapid reaction payloads, buses, spacelift, and launch control capabilities in order to fulfill joint military operational requirements for on-demand space support and reconstitution; to coordinate and execute operationally responsive space efforts across the Department of Defense and Space Community to include NASA with respect to planning, acquisition, and operations.

The procurement was conducted as a full and open competition. One solicitation was used to solicit proposals on two, related but separate, individual requirements (the RRSW requirement and the MSV requirement). This Selection Decision relates to the MSV portion of the RFP only.

The MSV procurement will result in the award of multiple Indefinite-Delivery Indefinite-Quantity (IDIQ) Cost-Plus-Fixed-Fee (CPFF) contracts, each with a minimum contract value of $100,000. The solicitation specifically identified that up to six IDIQ contracts may potentially be awarded. The solicitation also stated that the maximum potential contract value is $500,000,000 (a shared value with the RRSW contract). The period of performance is a five-year base period, with no option periods.

Evaluation Procedure

Proposals were evaluated in accordance with the requirements of FAR Subpart 15.3, "Source Selection," as supplemented by NFS Subpart 1815.3, "Source Selection." Section M of the solicitation, at paragraph M.2 "Evaluation Approach", advised potential Offerors that the Government may award a contract based solely on initial offers received, without discussion of such offers. Therefore, potential Offerors were advised to submit their initial proposals to the Government using the most favorable terms from a cost and technical standpoint. However, in the RFP, the Government reserved the right to hold discussions if award on the basis of initial offers was determined not to be in the Government's best interest.

The RFP identified three evaluation Factors for the basic contract awards: Mission Suitability, Past Performance, and Cost/Price. Of these evaluation Factors, Mission Suitability is somewhat more important than Past Performance, and Past Performance is significantly more important than Cost. Evaluation Factors other than Cost, when combined, are significantly more important than Cost.

Regarding Mission Suitability, the RFP stated: "The overall Mission Suitability Factor will be numerically scored, and the Mission Suitability Subfactors will be rated by adjective and numerically weighted and scored…." The Mission Suitability Factor consists of ten Subfactors. The Subfactors are shown below with their respective available point allocation, which signifies their importance.

Modular Space Vehicles (MSV) Proposal Component		
	Subfactor Title	**Assigned Weight**
Management Approach	Basic SOW (Subfactor 1)	125
	Innovation, Standards, and Architecture Task Order (Subfactor 2)	25
	Multi Mission Modular Bus Development Task Order (Subfactor 3)	100
	Multi Mission Modular Payload Development Task Order (Subfactor 4)	100
Technical Approach	Basic SOW (Subfactor 5)	150
	Innovation, Standards, and Architecture Task Order (Subfactor 6)	25

	Multi Mission Modular Bus Development Task Order (Subfactor 7)	175
	Multi Mission Modular Payload Development Task Order (Subfactor 8)	150
Safety and Health Plan (Subfactor 9)		50
Small Business Utilization (Subfactor 10)		100
MISSSION SUITABILITY TOTAL		1000 POINTS

Potential Mission Suitability adjectival ratings for the Subfactors are: Excellent, Very Good, Good, Fair and Poor.

With regard to the Past Performance Factor, the RFP provided for evaluation using Level of Confidence ratings, including: Very High Level of Confidence, High Level of Confidence, Moderate Level of Confidence, Low Level of Confidence, Very Low Level of Confidence, and Neutral, depending on the SEB's assessment of each proposal in this area. For an Offeror and its major subcontractors, the RFP required the SEB to evaluate overall Past Performance with respect to comparability in contract size, content, and complexity to the requirements of the current acquisition. This Factor provides an opportunity to evaluate the quality of goods and services provided by an Offeror, to the Government and other organizations, as either a prime or subcontractor. The Past Performance evaluation was based on the information provided in Past Performance Volume II, an assessment of customer questionnaires submitted on behalf of an Offeror and of its major subcontractors, and other information submitted and collected pursuant to the solicitation.

For the Cost Factor, the SEB performed a cost realism analysis on the proposed cost, which included the development of a probable cost for each proposal. The RFP prescribed that the SEB assign a level of confidence of High, Medium, or Low in the probable cost developed for each proposal, and perform a cost analysis to determine adequate cost reasonableness. This analysis also considered technical/management risks to determine if an Offeror can perform the requirements within the proposed cost and with the proposed resources.

Solicitation and Receipt of Proposals

Prior to issuance of the formal RFP, in an effort to better inform industry of NASA's requirements and improve communications, ARC issued a Sources Sought Synopsis to get a level of interest from industry. As a result of the various documents released to gauge industry interest, a total of thirty-eight (38) companies expressed an interest in the requirement by providing information to the Sources Sought Synopsis. A draft RFP was issued requesting industry comments and recommendations on all aspects of the Government's proposed approach to satisfy these requirements. In addition, a Pre-proposal Conference and tour (99 companies attended) was held to provide additional information. Industry was encouraged to ask questions and provide comments regarding the MSV requirement and the procurement process. The comments and recommendations received in response to these communications with industry

were carefully evaluated and incorporated in the formal RFP as appropriate. A Government response to each comment/recommendation was prepared and released to industry.

The formal RFP was issued electronically on FedBizOpps on February 01, 2010 with an initial proposal due date of March 18, 2010. Six amendments, either administrative or to respond to industry questions, were issued electronically on FedBizOpps for the benefit of all respondents. As a result of the amendments, the response date was extended to April 30, 2010.

Seven proposals were received in response to the RFP by the specified closing time and date. The Offerors' names, listed alphabetically, are as follows:

ATK Space Systems
Miltec
Northrop Grumman Systems Corporation
PnP Innovations
Sierra Nevada Corporation A (with the major subcontractor Raytheon for the payload)
Sierra Nevada Corporation B (with the major subcontractor Harris for the payload)
Surrey Satellite Technology

A written proposal was received from each Offeror for Mission Suitability, Past Performance, and Cost. Each Factor was submitted in a separate volume in accordance with Section L of the Solicitation and FAR Parts 15.101 and 15.306. Copies of the proposal were issued to each of the five voting members of the SEB.

Evaluation Process

The SEB members individually reviewed the proposals and met to discuss individual findings. The SEB identified strengths and weaknesses for Mission Suitability. In Mission Suitability, the identified strengths and weaknesses were categorized either as a "Significant Strength" or "Significant Weakness" or, if not significant, as a "Strength" or "Weakness". The findings were used to establish adjectival ratings and numerical scores for each Mission Suitability Subfactor, and then an overall numerical score for Mission Suitability. No "Deficiencies" were identified in the Mission Suitability proposals for either the initial proposals or the Final Proposal Revisions (FPRs).

The SEB identified strengths and weaknesses for Past Performance. In Past Performance, the identified strengths and weaknesses were categorized either as a "Significant Strength" or "Significant Weakness" or, if not significant, as a "Strength" or "Weakness". The findings were used to establish a Level of Confidence rating for the Past Performance Factor, based on the proposals, questionnaires completed by past and current customers, and the data obtained by the SEB from other sources as provided for in the RFP.

The SEB conducted a probable cost assessment and assigned a level of confidence to the probable cost in accordance with NFS 1815.305(a) (1), "Cost or price evaluation." The SEB also conducted a cost realism analysis on the overall cost proposed to ensure the Offerors understood

the magnitude and complexity of the contract, and offered a sound approach to satisfying the SOW requirements.

Initial Evaluations: The SEB's evaluation findings for the initial proposals from the seven Offerors were reviewed, and a determination was made that discussions were in the best interest of the Government and a Competitive Range was established. The Competitive Range was determined based upon the totality of the findings in all Factors and in consideration of the importance of the Factors identified above. Based upon an integrated assessment of all the proposals, the evaluation Factors, and the identified importance of those Factors, the SSA and CO determined that the following five Offerors would be included in the Competitive Range: ATK Space Systems, Miltec, Northrop Grumman Systems Corporation, PnP Innovations, and Sierra Nevada Corporation B - Harris. These five Offerors submitted proposals that were responsive to the requirement and have a reasonable chance of being selected for one of the multiple awards contemplated under this requirement. Sierra Nevada Corporation A – Raytheon and Surrey Satellite Technology were not included in the Competitive Range.

Discussions

Discussions were held, in writing, with all of the Offerors in the Competitive Range.

The discussions consisted of providing each Offeror within the Competitive Range a compiled list of all its Significant Weaknesses and Weaknesses (there were no Deficiencies) based upon the initial evaluations. Telephonic discussions were also held with each Offeror to clarify and discuss the initial findings of the SEB.

Discussions were concluded on August 2, 2010 for ATK Space System, Miltec, and PnP Innovations, and on August 3, 2010 for Northrop Grumman and Sierra Nevada Corporation. Final Proposal Revisions (FPRs) were requested and model contracts were sent to the five Offerors in the Competitive Range. FPRs were due on August 16, 2010 for ATK Space Systems, Miltec, and PnP Innovations, and on August 17, 2010 for Northrop Grumman and Sierra Nevada Corporation. FPRs were timely received from each of the five Offerors in the Competitive Range.

The evaluation process described above was repeated for the FPRs.

FINAL EVALUATION SUMMARY - OVERALL CONTRACT

FPR EVALUATION FINDINGS OF THE SEB

The SEB presented the consensus evaluation findings relating to the FPRs to the SSA. These findings outlined the Significant Strengths, other Strengths, Significant Weaknesses, and other Weaknesses for each Offeror. There were no Deficiencies assigned to any Offeror.

Offeror	Total Mission Suitability 1000 points	Past Performance Level of Confidence	FPR COST $Proposed $Probable	Overall Contract Cost Confidence
ATK Space Systems	616	High	4th Lowest 4th Lowest	High
Miltec	696	Moderate	2nd Lowest 3rd Lowest	High
Northop Grumman	756	Very High	Highest Highest	High
PnP Innovations	741	Moderate	Lowest Lowest	Medium
Sierra Nevada B	759	Very High	3rd Lowest 2nd Lowest	High

The following information is specific to each Offeror. The Offerors are discussed in alphabetical order.

ATK Space Systems
ATK Space Systems' Mission Suitability score was 616, which was the lowest of the five Offerors. It received the following adjectival ratings for each Mission Suitability Subfactor: Management Approach Basic SOW – Good; Management Approach Innovation Task – Good; Management Approach Bus Task – Good; Management Approach Payload Task – Good; Technical Approach Basic SOW – Good; Technical Approach Innovation Task – Good; Technical Approach Bus Task – Good; Technical Approach Payload Task – Good; Safety & Health Plan – Good; and Small Business Utilization – Good. This Offeror had no Significant Strengths, 21 other Strengths, no Significant Weaknesses, and seven other Weaknesses within all of the Mission Suitability Subfactors.

In the Past Performance evaluation, this Offeror's Past Performance had a Level of Confidence rating of High. One Significant Strength was identified for its effective overall performance on bus development efforts. One other Strength, no Significant Weaknesses, and one other Weakness were identified.

Its probable cost was the fourth lowest of the five Offerors, and its probable cost received a confidence level rating of High. The Offeror's proposed cost was the fourth lowest.

Miltec
Miltec's Mission Suitability score was 696, which was the fourth highest of the five Offerors. It received the following adjectival ratings for each Mission Suitability Subfactor: Management Approach Basic SOW – Good; Management Approach Innovation Task – Good; Management Approach Bus Task – Good; Management Approach Payload Task – Good; Technical Approach Basic SOW – Good; Technical Approach Innovation Task – Good; Technical Approach Bus Task – Good; Technical Approach Payload Task – Very Good; Safety & Health Plan – Good; and Small Business Utilization – Good. This Offeror had one Significant Strength, 25 other Strengths, no Significant Weaknesses, and one other Weakness within all of the Mission Suitability Subfactors. This Offeror's Significant Strength related to its modular payload approach.

In the Past Performance evaluation, this Offeror's Past Performance had a Level of Confidence rating of Moderate. No Significant Strengths, two other Strengths, no Significant Weaknesses, and no other Weaknesses were identified.

Its probable cost was the third lowest of the five Offerors, and its probable cost received a confidence level rating of High. The Offeror's proposed cost was the second lowest.

Northrop Grumman
Northrop Grumman's Mission Suitability score was 756, which was the second highest of the five Offerors. It received the following adjectival ratings for each Mission Suitability Subfactor: Management Approach Basic SOW – Very Good; Management Approach Innovation Task – Good; Management Approach Bus Task – Excellent; Management Approach Payload Task – Good; Technical Approach Basic SOW – Good; Technical Approach Innovation Task – Good; Technical Approach Bus Task – Very Good; Technical Approach Payload Task – Very Good; Safety & Health Plan – Good; and Small Business Utilization – Good. This Offeror had four Significant Strengths, 22 other Strengths, no Significant Weaknesses, and six other Weaknesses within all of the Mission Suitability Subfactors. This Offeror's Significant Strengths related to: its demonstrated team capabilities, its capability to support demonstrations, its design and production innovations, and its mature high TRL payload.

In the Past Performance evaluation, this Offeror's Past Performance had a Level of Confidence rating of Very High. One Significant Strength was identified for its effective overall performance on bus development efforts. One other Strength, no Significant Weaknesses, and no other Weaknesses were identified.

Its probable cost was the highest of the five Offerors, and its probable cost received a confidence level rating of High. The Offeror's proposed cost was the highest.

PnP Innovations
PnP Innovations' Mission Suitability score was 741, which was the third highest of the five Offerors. It received the following adjectival ratings for each Mission Suitability Subfactor: Management Approach Basic SOW – Very Good; Management Approach Innovation Task – Good; Management Approach Bus Task – Good; Management Approach Payload Task – Good; Technical Approach Basic SOW – Good; Technical Approach Innovation Task – Good;

Technical Approach Bus Task – Very Good; Technical Approach Payload Task – Very Good; Safety & Health Plan – Good; and Small Business Utilization – Good. This Offeror had three Significant Strengths, 27 other Strengths, no Significant Weaknesses, and four other Weaknesses within all of the Mission Suitability Subfactors. This Offeror's Significant Strengths related to: its proposed SPA expertise, its innovative ideas for the bus task, and its modular payload approach.

In the Past Performance evaluation, this Offeror's Past Performance had a Level of Confidence rating of Moderate. No Significant Strengths, two other Strengths, no Significant Weaknesses, and no other Weaknesses were identified.

Its probable cost was the lowest of the five Offerors, and its probable cost received a confidence level rating of Medium. The Offeror's proposed cost was the lowest.

Sierra Nevada B - Harris

Sierra Nevada B – Harris's Mission Suitability score was 759, which was the highest of the five Offerors. It received the following adjectival ratings for each Mission Suitability Subfactor: Management Approach Basic SOW – Very Good; Management Approach Innovation Task – Good; Management Approach Bus Task – Excellent; Management Approach Payload Task – Good; Technical Approach Basic SOW – Good; Technical Approach Innovation Task – Good; Technical Approach Bus Task – Very Good; Technical Approach Payload Task – Very Good; Safety & Health Plan – Good; and Small Business Utilization – Good. This Offeror had four Significant Strengths, 20 other Strengths, no Significant Weaknesses, and three other Weaknesses within all of the Mission Suitability Subfactors. This Offeror's Significant Strengths related to its demonstrated proven capability regarding rapid AI&T, logistics, and training systems, its thorough understanding of critical issues, its demonstrated production capabilities/understanding of AI&T activities, and its modular payload approach.

In the Past Performance evaluation, this Offeror's Past Performance had a Level of Confidence rating of Very High. One Significant Strength was identified for its effective overall performance on bus development efforts. One other Strength, no Significant Weaknesses, and no other Weaknesses were identified.

Its probable cost was the second lowest of the five Offerors, and its probable cost received a confidence level rating of High. The Offeror's proposed cost was the third lowest.

SELECTION DECISION OF THE SOURCE SELECTION AUTHORITY FOR BASIC CONTRACT (MULTIPLE AWARDS)

I reviewed the SEB's findings for Mission Suitability and the resultant adjectival ratings, at the Subfactor level, and the numerical scores. I reviewed the findings and Level of Confidence rating for Past Performance. I reviewed the Cost evaluation results, including the proposed costs, cost realism assessment, and the confidence level in the probable cost assessment. I concur with all of the SEB's findings as presented with the exception of one finding relating to the Payload Task which is discussed later and which does not affect the selection of

the multiple-award IDIQ contracts. I fully considered all of this information prior to making my selection decision relative to which Offerors would be awarded one of the multiple-award IDIQ contracts.

The RFP stated that up to six multiple-award IDIQ contracts would be awarded for MSV, with each awardee receiving the Innovation, Architecture and Standards Task Order. Based upon the totality of the findings in all Factors and in consideration of the importance of the Factors identified above, I have determined that all five Offerors within the Competitive Range are hereby selected for award. The five Offerors selected are: ATK Space Systems, Miltec, Northrop Grumman Systems Corporation, PnP Innovations, and Sierra Nevada Corporation B - Harris. Each of these five Offerors submitted proposals that were responsive to the MSV requirements and offered technical strengths commensurate with their proposed and probable costs. The combination of the technical merit, past performance and realistic costs for each of the proposals justifies selection of all five Offerors for the basic MSV contract award and provides them an opportunity to compete on future task orders.

SELECTION DECISION OF THE SOURCE SELECTION AUTHORITY FOR MULTI-MISSION MODULAR BUS AND MULTI-MISSION MODULAR PAYLOAD TASKS

The RFP provided the following criteria and explanation as to how the Bus and Payload Task Orders would be evaluated and awarded. RFP Provision M.6, Determination of Task Order Awardees, states: "Based on the evaluation approach in clauses M.2 and M.4, up to 6-IDIQ contracts may potentially be awarded, with each awardee receiving an Innovation, Standards, and Architecture Task Order. After determining the contract awardees, and although it is currently anticipated, the Government will determine if it will award the Multi Mission Modular Bus Development (MMBD) Task Order and/or the Multi Mission Modular Payload Development (MMPD) Task Order. If it is determined that the MMBD and/or MMPD Task Orders will be awarded at this time, the following process will be used to determine which entity will receive the MMBD Task Order and which entity will receive the MMPD Task Order. The Government will combine the evaluation given to the Offeror's proposal with respect to the Management Approach for the MMBD and the Technical Approach for the MMBD to develop a combined evaluation for the MMBD task. This combined evaluation will be married to the probable cost for the MMBD task and a best value determination will be made among the contract awardees. A similar approach will be used for the MMPD task. For purposes of the best value approach for the MMBD and the MMPD tasks, the combined evaluation for Management Approach and Technical Approach is significantly more important than cost. This approach may result in one Offeror receiving the MMBD task and another Offeror receiving the MMPD task, or it could result in one Offeror receiving both the MMBD and MMPD tasks."

SELECTION DECISION OF THE SOURCE SELECTION AUTHORITY FOR MULTI-MISSION MODULAR BUS TASK

In accordance with the procedures identified in the RFP, the SEB combined the evaluation results for each Offeror's proposal with respect to the Management Approach for the Multi-

Mission Modular Bus Task (henceforth called the Bus Task) and the Technical Approach for the Bus Task, to develop a combined evaluation finding for the Bus Task. This combined evaluation finding, as reflected in the combined point score, is shown below along with the probable cost and cost confidence level for the Bus Task.

Offeror	MMBD (Bus)Task Order PROBABLE COST	MMBD (Bus) Task Order (MGMNT +TECH) SCORE	Bus Task Order PROBABLE COST CONFIDENCE LEVEL
ATK Space Systems	2ND LOWEST	176	HIGH
Miltec Corporation	3RD LOWEST	180	HIGH
Northrop Grumman	4TH LOWEST	254	HIGH
PnP Innovations	LOWEST	222	MEDIUM
Sierra Nevada B	HIGHEST	236	HIGH

The following information is specific to each Offeror in relation to the Bus Task. The Offerors are discussed in alphabetical order.

ATK Space Systems
ATK Space Systems' combined (Management and Technical) score for the Bus Task was 176 out of 275 possible points, which was the lowest overall total for the Bus Task. It received the following adjectival ratings: for the Management Approach Bus Task – Good; and for the Technical Approach Bus Task – Good. This Offeror had no Significant Strengths, nine other Strengths, no Significant Weaknesses, and two other Weaknesses related to the Bus Task.

Its probable cost for the Bus Task was the second lowest of the Offerors, and its probable cost received a confidence level rating of High.

Miltec
Miltec's combined (Management and Technical) score for the Bus Task was 180 out of 275 possible points, which was the fourth highest overall total for the Bus Task. It received the following adjectival ratings: for Management Approach Bus Task – Good; and for the Technical Approach Bus Task – Good. This Offeror had no Significant Strengths, five other Strengths, no Significant Weaknesses, and no other Weaknesses related to the Bus Task.

Its probable cost for the Bus task was the third lowest of the Offerors, and its probable cost received a confidence level rating of High.

Northrop Grumman
Northrop Grumman's combined (Management and Technical) score for the Bus Task was 254 out of 275 possible points, which was the highest overall total for the Bus Task. It received the following adjectival ratings: for the Management Approach Bus Task – Excellent; and for the Technical Approach Bus Task – Very Good. This Offeror had two Significant Strengths, five other Strengths, no Significant Weaknesses, and no other Weaknesses related to the Bus Task. The two Significant Strengths related to its capability to support demonstrations, and its design and production innovations.

Its probable cost for the Bus task was the 4th lowest of the Offerors, and its probable cost received a confidence level rating of High.

PnP Innovations
PnP Innovations' combined (Management and Technical) score for the Bus Task was 222 out of 275 possible points, which was the third highest overall total for the Bus Task. It received the following adjectival ratings: for the Management Approach Bus Task – Good; and for the Technical Approach Bus Task – Very Good. This Offeror had one Significant Strength, eight other Strengths, no Significant Weaknesses, and no other Weaknesses related to the Bus Task. The one Significant Strength related to its innovative ideas for the bus task.

Its probable cost for the Bus task was the lowest of the Offerors, and its probable cost received a confidence level rating of Medium.

Sierra Nevada B - Harris
Sierra Nevada B – Harris's combined (Management and Technical) score for the Bus Task was 236 out of 275 possible points, which was the second highest overall total for the Bus Task. It received the following adjectival ratings: for the Management Approach Bus task – Excellent; and for the Technical Approach Bus Task – Very Good. This Offeror had two Significant Strengths, five other Strengths, no Significant Weaknesses, and no other Weaknesses related to the Bus Task. The two Significant Strengths related to its thorough understanding of critical issues, and its demonstrated production capabilities/understanding of AI&T activities.

Its probable cost for the Bus task was the highest of the Offerors, and its probable cost received a confidence level rating of High.

Bus Selection Decision – The RFP prescribes that "[f]or purposes of the best value approach for the MMBD … task[], the combined evaluation for Management Approach and Technical Approach is significantly more important than cost."

Accordingly, I first looked, for each of the five Offerors, at the combined findings relating to the Management Approach and the Technical Approach for the Bus Task.

Neither ATK Space Systems nor Miltec Corporation had any Significant Strengths in these two Mission Suitability Subfactors, and they appropriately were assigned the lowest scores in this

regard. Pursuant to the RFP, I must consider these evaluation findings to be significantly more important than cost. Therefore, I hereby eliminate both ATK Space Systems and Miltec Corporation from further consideration for selection for award of the Bus Task Order.

Northrop Grumman submitted the best Mission Suitability proposal relating to the Bus Task, appropriately garnering the highest score of 254 out of 275 possible points, and an Excellent rating in Management Approach and a Very Good rating in Technical Approach, appropriately reflecting its impressive two Significant Strengths, for its capability to support demonstrations, and for its design and production innovations.

Sierra Nevada B – Harris submitted the next (second) best Mission Suitability proposal relating to the Bus Task, appropriately garnering 236 out of 275 possible points, and an Excellent rating in Management Approach and a Very Good rating in Technical Approach, appropriately reflecting its impressive two Significant Strengths, for its thorough understanding of critical issues, and its demonstrated production capabilities/understanding of AI&T activities. I acknowledge that Sierra Nevada B – Harris submitted a high quality Mission Suitability proposal relating to the Bus Task. However, it also is clear to me that the Mission Suitability proposal relating to the Bus Task submitted by Sierra Nevada B – Harris is not as strong as the superior proposal submitted by Northrop Grumman, and, further, it is more expensive than Northrop Grumman. Therefore, because Sierra Nevada B – Harris is both lower in Mission Suitability and higher in cost than Northrop Grumman in relation to the Bus Task, I hereby eliminate Sierra Nevada B – Harris from further consideration for selection for award of the Bus Task Order.

PnP Innovations submitted the third best Mission Suitability proposal relating to the Bus Task, appropriately garnering 222 out of 275 possible points, and a Good rating in Management Approach and a Very Good rating in Technical Approach, appropriately reflecting its one Significant Strength for its innovative ideas for this Task. Although these Mission Suitability findings are noteworthy and respectable, I consider the Mission Suitability proposal of Northrop Grumman relating to the Bus Task to be substantially superior. I do consider that the probable cost of PnP Innovations for the Bus Task is substantially lower than that of Northrop Grumman. However, I also consider that the level of confidence in the probable cost of PnP Innovations is only Medium, which is lower than the High level of confidence attached to the probable cost of Northrop Grumman. Most importantly, however, I consider that the RFP prescribes that the combined evaluation for Management Approach and Technical Approach for MMBD is significantly more important than cost. Given this system of weights, I consider the substantial advantage in Mission Suitability provided by the Northrop Grumman proposal relating to the Bus Task to outweigh the substantial, but less certain, advantage in cost provided by the PnP Innovations proposal.

In my independent judgment, therefore, I consider the proposal of Northrop Grumman relating to the Bus Task to represent best value, based on its superior combined Management and Technical Approaches for MMBD, to be accomplished with a probable cost that I consider to be both reasonable and realistic for the proposed effort.

Therefore, I hereby select Northrop Grumman Systems Corporation for award of the Bus Task Order.

SELECTION DECISION OF THE SOURCE SELECTION AUTHORITY FOR MULTI-MISSION MODULAR PAYLOAD TASK

In accordance with the procedures identified in the RFP, the Government combined the evaluation results for each Offeror's proposal with respect to the Management Approach for the Multi-Mission Modular Payload Task (henceforth called the Payload Task) and the Technical Approach for the Payload Task, to develop a combined evaluation finding for the Payload Task. This combined evaluation finding, as reflected in the combined point score, is shown below along with the probable cost and cost confidence level for the Payload Task.

Offeror	MMPD (Payload) Task Order PROBABLE COST	MMPD (Payload) Task Order (MGMNT +TECH) SCORE	Bus Task Order PROBABLE COST CONFIDENCE LEVEL
ATK Space Systems	4TH LOWEST	150	MEDIUM
Miltec Corporation	2ND LOWEST	198	MEDIUM
Northrop Grumman	HIGHEST	161	HIGH
PnP Innovations	3RD LOWEST	187	MEDIUM
Sierra Nevada B	LOWEST	191	MEDIUM

The following information is specific to each Offeror in relation to the Payload Task. The Offerors are discussed in alphabetical order.

ATK Space Systems

ATK Space Systems' combined (Management and Technical) score for the Payload Task was 150 out of 250 possible points, which was the lowest overall total for the Payload Task. It received the following adjectival ratings: for the Management Approach Payload Task – Good; and for the Technical Approach Payload Task – Good. This Offeror had no Significant

Strengths, six other Strengths, no Significant Weaknesses, and four other Weaknesses related to the Payload Task.

Its probable cost for the Payload Task was the fourth lowest of the Offerors, and its probable cost received a confidence level rating of Medium.

Miltec
Miltec's combined (Management and Technical) score for the Payload Task was 198 out of 250 possible points, which was the highest overall total for the Payload Task. It received the following adjectival ratings: for the Management Approach Payload Task – Good; and for the Technical Approach Payload Task – Very Good. This Offeror had one Significant Strength, six other Strengths, no Significant Weaknesses, and one other Weakness related to the Payload Task. The one Significant Strength related to its modular payload approach.

Its probable cost for the Payload Task was the second lowest of the Offerors, and its probable cost received a confidence level rating of Medium.

Northrop Grumman
Northrop Grumman's combined (Management and Technical) score for the Payload Task was 161 out of 250 possible points, which was the fourth highest overall total for the Payload Task. It received the following adjectival ratings: for the Management Approach Payload Task – Good; and for the Technical Approach Payload Task – Very Good. This Offeror had one Significant Strength, four other Strengths, no Significant Weaknesses, and four other Weaknesses related to the Payload Task. The one Significant Strength related to its mature high TRL payload.

Its probable cost for the Payload Task was the highest of the Offerors, and its probable cost received a confidence level rating of High.

PnP Innovations
PnP Innovations' combined (Management and Technical) score for the Payload Task was 187 out of 250 possible points, which was the third highest overall total for the Payload Task. It received the following adjectival ratings: for the Management Approach Payload Task – Good; and for the Technical Approach Payload Task – Very Good. This Offeror had one Significant Strength, five other Strengths, no Significant Weaknesses, and two other Weaknesses related to the Payload Task. The one Significant Strengths related to its modular payload approach.

Its probable cost for the Payload Task was the third lowest of the Offerors, and its probable cost received a confidence level rating of Medium.

Sierra Nevada B - Harris
Sierra Nevada B – Harris' combined (Management and Technical) score for the Payload Task was 191 out of 250 possible points, which was the second highest overall total for the Payload Task. It received the following adjectival ratings: for the Management Approach Payload Task – Good; and for the Technical Approach Payload Task – Very Good. This Offeror had one Significant Strength, five other Strengths, no Significant Weaknesses, and one other Weakness related to the Payload Task. The one Significant Strength related to its modular payload approach.

Its probable cost for the Payload Task was the lowest of the Offerors, and its probable cost received a confidence level rating of Medium.

Payload Selection Decision – The RFP prescribes that "[f]or purposes of the best value approach for the … MMPD task[], the combined evaluation for Management Approach and Technical Approach is significantly more important than cost."

As described above, two of the Offerors – Miltec Corporation, and Sierra Nevada B – Harris – submitted proposals that were both (1) one of the two strongest in Mission Suitability relating to the Payload Task and (2) one of the two lowest in cost.

Each of the remaining three Offerors –ATK Space Systems, Northrop Grumman, and PnP Innovations – were thus both (1) weaker in Mission Suitability relating to the Payload Task and (2) higher in cost than both Miltec and Sierra Nevada. Accordingly, I hereby eliminate ATK Space Systems, Northrop Grumman, and PnP Innovations from further consideration for selection for award of the Payload Task Order.

Miltec has the second lowest probable cost for the Payload Task; Sierra Nevada has the lowest. Both of these probable costs carry a Medium level of confidence. The probable cost of Sierra Nevada is considerably lower than that of Miltec.

The Mission Suitability proposal submitted by Miltec relating to the Payload Task received 198 out of 250 possible points. The Mission Suitability proposal submitted by Sierra Nevada relating to the Payload Task received 191 out of 250 possible points – i.e., 7 fewer points.

Both Miltec and Sierra Nevada received a Good rating in Management Approach to the Payload Task. Both received a Very Good rating in Technical Approach to the Payload Task. Both received one Significant Strength related to the Payload Task and, for both, that one Significant Strength was identical and related to the proposed modular payload approach. Both received no Significant Weaknesses for the Payload Task, both received one other Weakness and, for both, that one other Weakness was identical.

The difference in the Mission Suitability scores assigned by the SEB to these two Offerors for the Payload Task boils down to this: Miltec received six non-significant Strengths, whereas Sierra Nevada received five non-significant Strengths. Of those non-significant Strengths, both received five that were identical. The sixth Strength received by Miltec related to its proposed systems engineering activity; this Strength was the one feature that, in the eyes of the SEB, distinguished the two Offerors in relation to the Payload Task.

I decided to review, personally and thoroughly, the original proposals and FPRs submitted by Miltec and Sierra Nevada in relation to the Payload Task, because of the very close, and very similar, evaluation findings here assigned. The reason these findings are very close and very similar is because both of these two Offerors use the same major subcontractor: Harris.

I verified that the only relevant difference between the two proposals was the one non-significant Strength given to Miltec for its proposed systems engineering activity. And, in reviewing the potential benefit to the Government of this proposed systems engineering activity, I reach a

different conclusion than the SEB. Here is my independent perception and judgment in this regard:

The Modular Space Vehicle endeavor will change the current paradigm by providing inexpensive access to space on a time scale that has never before been achieved. Success will require a substantial, innovative, and streamlined approach on all levels. While Miltec presents a compelling case for its payload systems engineering approach, additional complexity is introduced through the involvement of yet another subcontractor providing oversight of the primary payload developer, Harris, without adequately describing the effort that will be accomplished by that second subcontractor. Furthermore, the Miltec Cost Volume does not propose hours for the effort of this second subcontractor on the Payload Task Order. To me, the inclusion of a comprehensive system engineering activity at the prime level, along with the undefined role of this second subcontractor, could interfere with, and actually detract from, the direct application by Harris of its expertise. While such a systems engineering approach was seen as a Strength by the SEB, I place greater value on the simplicity of the Sierra Nevada approach which affords a capable payload provider through direct interaction with the prime, unfettered by additional components. For this reason, I independently conclude that the Sierra Nevada Mission Suitability proposal relating to the Payload Task is, in fact, superior to the proposal of Miltec.

Further, the level of confidence relative to cost was determined by the SEB to be Medium for both of these two Offerors. The risk associated with this first article development (first small synthetic aperture radar in a Modular Space Vehicle configuration) introduces the potential for cost growth. While it is not my determination that either of these two Offerors, as prime, could better control subcontractor cost growth, it appears to me that Sierra Nevada will be better positioned to deal with this uncertainty given the measures it has already in-place to constrain its costs on fees and overhead for the effort being accomplished by its subcontractor, resulting in an overall lower cost to the Government.

Finally, although it is not a primary driver in my determination, there is a considerable cost savings, amounting to millions of dollars, in the Sierra Nevada proposal relating to the Payload Task, even though both Offerors would receive the same solution from the same subcontractor, Harris, for primary payload development.

As stated above, the RFP prescribes that the combined evaluation for Management Approach and Technical Approach for MMPD is significantly more important than cost. I independently conclude that the Sierra Nevada Mission Suitability proposal relating to the Payload Task is, for the reason stated above, superior to the proposal of Miltec. Further, the probable cost of Sierra Nevada for the Payload Task is considerably lower than that of Miltec. I thus conclude that, for MMPD, Sierra Nevada has an advantage over Miltec in both Mission Suitability and Cost. As a result, I independently determine that the Sierra Nevada proposal relating to the Payload Task offers the best value to the Government.

Therefore, I hereby select Sierra Nevada Corporation B – Harris for award of the Payload Task Order.

SUMMARY OF THE SOURCE SELECTION AUTHORITY DECISIONS

In summary, my selection for the multiple IDIQ contract awards includes all five Offerors in the Competitive Range. My selection for the Bus Task Order is Northrop Grumman. My selection for the Payload Task Order is Sierra Nevada Corporation B – Harris.

Yvonne Pendleton
Source Selection Authority
Director, NASA Lunar Science Institute